

Division of Securities  
Utah Department of Commerce  
160 East 300 South  
P. O. Box 146760  
Salt Lake City, UT 84114-6760  
Telephone: (801) 530-6600  
FAX: (801) 530-6980

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**BEFORE THE DIVISION OF SECURITIES  
OF THE DEPARTMENT OF COMMERCE  
OF THE STATE OF UTAH**

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**IN THE MATTER OF:**

**CYBERHAND ROBOTICS, CORP., f.k.a.  
Daleigh Holdings Corp., a Utah corporation, and  
DAVID WATSON,**

**Respondents.**

**AFFIDAVIT OF SERVICE AND NON  
RESPONSE**

**Docket No. SD-07-0020**

**Docket No. SD-07-0021**

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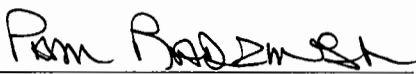
I, Pam Radzinski, first being duly sworn, depose and state as follows:

1. I am the Executive Secretary for the Department of Commerce Division of Securities (the Division).
2. As executive secretary for the Division, I am responsible for supervising the mailing of the Division's Emergency Cease and Desist Orders as well as for receiving any responses or certified mailing receipts.
3. On February 28, 2007, I mailed, by certified mail, an Emergency Cease and Desist Order to Cyberhand Robotics Corp., and David Watson along with a Notice of Agency Action

(Notice), advising that a default order would be entered if they failed to appear at a hearing set for Monday April 9, 2007, or file a written response to the Emergency Cease and Desist Order within thirty (30) days of the mailing date of the Notice.

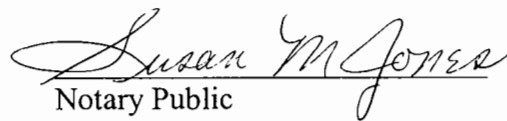
4. The Emergency Cease and Desist Order and Notice of Agency Action sent to Cyberhand Robotics Corp. was mailed to 1108 E. South Union, Midvale, UT 84047. The Emergency Cease and Desist Order and Notice of Agency Action sent to David Watson was mailed to 23 Alafaya Woods Blvd, Oviedo, FL 32765.
5. No answer was filed or served. However, I did receive the certified mail receipt.
6. The certified mail receipt says, on March 2, 2007, Trisha Fullen signed the certified mail receipt for Cyberhand Robotics Corp.; and on March 6, 2007, B. Herbert signed the certified mail receipt for David Watson.
7. As of the date of this Affidavit, neither Respondent has filed a response to the Emergency Cease and Desist Order and no other communication from them has been received.

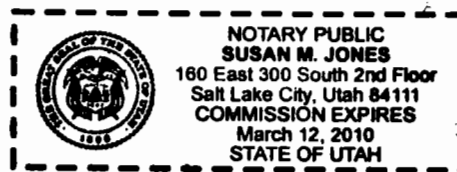
DATED this 18th day of May, 2007.

  
PAM RADZINSKI  
Executive Secretary

SALT LAKE COUNTY     )  
                                  ) ss  
STATE OF UTAH         )

Signed and subscribed to before me this 18th day of May, 2007.

  
Notary Public



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**IN THE MATTER OF:**

**CYBERHAND ROBOTICS, CORP., f.k.a.  
Daleigh Holdings Corp., a Utah corporation, and  
DAVID WATSON,**

**Respondents.**

**NOTICE OF ENTRY OF DEFAULT  
AND ORDER**

**Docket No. SD-07-0020**

**Docket No. SD-07-0021**

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**I. BACKGROUND**

A formal adjudicative proceeding was initiated by the Division's Cease and Desist Order and Notice of Agency Action (Notice) dated February 29, 2006, against Cyberhand Robotics Corp., fka Daleigh Holdings Corp., a Utah corporation, and David Watson (Respondents).

**II. DEFAULT ORDER**

1. On February 28, 2007, the Division mailed, by certified mail, an Emergency Cease and Desist Order to Cyberhand Robotics Corp., and David Watson along with a Notice of Agency Action (Notice), advising Respondents that a default order would be entered if

they failed to appear at a hearing set for Monday April 9, 2007, or file a written response to the Emergency Order within thirty (30) days of the mailing date of the Notice.

2. The Emergency Cease and Desist Order and Notice of Agency Action sent to Cyberhand Robotics Corp. was mailed to 1108 E. South Union, Midvale, UT 84047. The Emergency Cease and Desist Order and Notice of Agency Action sent to David Watson was mailed to 23 Alafaya Woods Blvd, Oviedo, FL 32765.
3. On March 2, 2007, Trisha Fullen signed the certified mail receipt for Cyberhand Robotics Corp.
4. On March 6, 2007, B. Herbert signed the certified mail receipt for David Watson.
5. No answer was filed or served. No contact or other communication from either Respondents was received.
6. A hearing was convened on April 9, 2007. No one appeared or otherwise defended, and the Division has not received an answer or other communication from the Respondents. At that hearing, the Director of the Division of Securities found Respondents in default.

### **III. FINDINGS OF FACT**

Based upon the undisputed averments in the Emergency Cease and Desist Order, the Presiding Officer makes the following findings of fact:

7. Cyberhand Robotics Corp. (Cyberhand) is a Utah corporation in good standing. The registered office of Cyberhand is 1108 E. South Union Avenue, Midvale, UT 84047.

8. David Watson (Watson) is a resident of Florida. Watson is an incorporator, the president and only officer of Cyberhand. His address is 23 Alafaya Woods Blvd., Suite 140, Oviedo, FL 32765.

#### **FRAUDULENT STOCK OFFER**

9. On September 12, 1980, the Division approved an offer to register, by coordination, common stock of American Surgery Centers having a net value in an aggregate amount of \$2,240,100. The Division received a final report approving the registration on September 21, 1981. Of the total amount of stock registered for sale, \$1,345,000 worth of common stock was sold in Utah.
10. The Ford Surgical Centers had earlier registered as a Utah corporation on December 16, 1976. The company changed its name to American Surgery Centers Corp. on July 22, 1980. American Surgery Centers changed its name to DaLeigh Holdings (DaLeigh I) on January 21, 1997.<sup>1</sup>
11. On March 1, 1998, DaLeigh I was involuntarily dissolved on March 1, 1998 for failure to file an annual report.<sup>2</sup>

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<sup>1</sup>The Division of Corporations assigned Entity No. 672206-0142 to DaLeigh Holdings Corp. (DaLeigh I).

<sup>2</sup>After dissolution, a corporation has only two years to seek reinstatement. Utah Code Ann. § 16-10a-1422. At the time of dissolution, the business address of DaLeigh I was 1888 Century Park E., 19<sup>th</sup> Floor, Century City, CA 90067.

12. On August 14, 2006, Daleigh Holding Corp. (lower case “l” in Daleigh), registered as a Utah corporation and changed its name to Daleigh Holdings, Corp. on August 15, 2006, adding an “s” to “Holding” (DaLeigh II).<sup>3</sup> On November 14, 2006, Daleigh II changed its name to Cyberhand Robotics Corp.
13. In amending its articles of incorporation to change its name, DaLeigh II also authorized the issuance of one billion shares of stock under the name of DaLeigh as follows:
- Resolves that the name of the Corporation be changed to Cyberhand Robotics Corp.
- Resolved that the authorized capital be increased to one billion shares (1,000,000,000) with a par value of \$0.0001.
14. The amendment form was signed by David Watson, “president” of DaLeigh II, and a box on the amendment form was checked “[s]hares have been issued but shareholder action was not required – Adopted by board of governors.”
15. On December 18, 2006, the Division found that the Pink Sheets, an electronic quotation and trading system for over the counter securities, had posted company information that DaLeigh II was the successor to DaLeigh I as follows:
- DLGH–Daleigh Holdings Corp. Com (0.001), Primary State of Incorporation: Utah, Fiscal Year End: September, Company Notes: Formerly=American Surgery Centers Corp. Until 12-96 Note=3-98 company involuntarily dissolved

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<sup>3</sup>The Division of Corporations assigned Entity No. 6296058-0142 to DaLeigh II.

16. On December 18, 2006, during a telephone conversation with a Division of Securities examiner Gary Bowen (Bowen), Watson admitted he incorporated DaLeigh II. Watson also represented to the Division that DaLeigh II was to be the successor to the original, publicly traded company, DaLeigh I. Watson refused to amend the Pink Sheets' company information about DaLeigh II.
17. On December 19, 2006, Watson faxed a letter to Bowen, denying that he was an officer or director of DaLeigh II or had any connection with that company, contrary to the information filed with the Utah Division of Corporations and Commercial Code.
18. The representations made by Watson to the Pink Sheets and published in them are false for several reasons:
  - a. A dissolved company has no successor if the company is not reinstated before expiration of the two-year deadline. A dissolved corporation continues its corporate existence after the two-year period for reinstatement only to wind up and liquidate its business affairs. Utah Code Ann. § 16-10a-1405(1);
  - b. Because a dissolved corporation cannot be reinstated after the two-year period for reinstatement has expired, DaLeigh II has no legal basis for claiming to be the successor to DaLeigh I.
  - c. DaLeigh II cannot be the successor for other reasons:
    - I. The company does not have the same officers, directors;
    - II. The company does not have the same shareholders; and



III. The company does not have the same business.

- 19. DaLeigh II has never registered with the Division to offer its stock to the public.
- 20. Watson is not licensed to sell securities.

**REGISTRATION AND LICENSING VIOLATIONS**

- 21. The stocks offered for sale by Respondents are securities under the Utah Uniform Securities Act.
- 22. The securities were offered for sale or exchange in this State.
- 23. The securities offered by Respondents are not registered under the Act.
- 24. Respondents DaLeigh II and Watson offered unregistered securities in Utah in violation of Utah Code Ann. § 61-1-7.
- 25. Neither Watson nor DaLeigh II are licensed to transact business in Utah in violation of Utah Code Ann. § 61-1-3.

**MISREPRESENTATIONS, OMISSIONS, FRAUDULENT PRACTICES**

- 26. In connection with the offer of securities in this state, Respondents made misrepresentations of material facts, omitted to state material facts, and engaged in acts, practices, and courses of business that operate or would operate as a fraud or deceit on investors.
- 27. Respondents made material misrepresentations by claiming that DaLeigh II is a successor to DaLeigh I.

28. Respondents omitted to disclose material information to offerees and investors about the investment. The information that should have been disclosed includes:
- a. That DaLeigh I, a Utah corporation that has been dissolved for more than two years, cannot have a successor entity or officers;
  - b. That the securities being offered and sold as DaLeigh II were not registered, as required, and that the sellers of the securities were not licensed to sell securities in Utah, as required;
  - c. Who the officers and directors of DaLeigh II are;
  - d. What its business plan, its plan of distribution, and its financial statements are.
  - e. The address and phone number of the business.
  - f. A description of the business.
  - g. The outstanding shares, and estimated market cap.
  - h. The officers, and transfer agent.
29. Respondents engaged in acts, practices, or courses of business that operate or would operate as a fraud or deceit on an investor, including:
- a. The acts and practices used in the attempted deception of shareholders that DaLeigh II is the successor to DaLeigh I; and
  - b. The acts and practices used to deceive the Pink Sheets and its readers that DaLeigh II is the successor to DaLeigh I.

#### **IV. CONCLUSIONS OF LAW**

Based on the undisputed findings of fact, the Presiding Officer makes the following conclusions of law:

30. The Division has jurisdiction over the subject matter of this action.
31. Service of the Emergency Order and Notice initiating these proceedings is valid upon Respondents.
32. Respondents are in default for failure to file a written response within thirty (30) days of the Emergency Cease and Desist Order and Notice of Agency Action.
33. The offer or sale of unregistered securities is a violation of section 61-1-7 of the Utah Uniform Securities Act (Act).
34. The offer or sale of securities by unlicensed agents is a violation of section 61-1-3 of the Act.
35. In connection with the offer of invalid securities, Respondents made material misrepresentations and omission in violation of § 61-1-1(2) of the Act.
36. In connection with the offer, sale, or purchase of securities, directly or indirectly, Respondents engaged in acts, practices or courses of business which operated or would operate as a fraud upon any person in violation of § 61-1-1(3) of the Act.

#### **V. ORDER**

Based on the above, the Director hereby:

1. DECLARES Respondents Cyberhand Robotics, Corp., and David Watson are in default for their failure to file the required response to the Emergency Order within thirty (30) days.
2. ENTERS, as his own findings, the Findings of Fact described in Section III above.
3. ENTERS, as his own conclusions, the Conclusions of Law in Section IV above.
4. FINDS that Respondents willfully violated the Utah Uniform Securities Act by:
  - a. Purporting to offer or sell unregistered stock of Daleigh;
  - b. Offering to sell or selling securities without being licensed;
  - c. Making material misrepresentations in connection with the offer or sale of securities in the State of Utah in violation of Utah Code Ann. § 61-1-1(2);
  - d. Omitting to disclose material information in connection with the offer and sale of securities in the State of Utah in violation of Utah Code Ann. § 61-1-1(2); and
  - e. Engaging in acts, practices, or course of conduct which operates or would operate as a fraud upon any person in violation of Utah Code Ann. § 61-1-1(3).
5. ORDERS that Respondents, together with their employees, agents, affiliates, successors, and associated entities, shall permanently CEASE AND DESIST from offering or selling securities in this State, and from directly or indirectly aiding or assisting other individuals or entities from offering or selling securities in this State when the securities are not registered.

6. ORDERS that Respondents, together with their employees, agents, affiliates, successors, and associated entities, shall permanently CEASE AND DESIST from offering or selling securities in this State, and from directly or indirectly aiding or assisting other individuals or entities from offering or selling securities in this State without being licensed.
7. ORDERS that Respondents, together with his employees, agents, affiliates, successors, and associated entities, shall permanently CEASE AND DESIST from selling securities in this State by means of misrepresentations and omissions of material fact and the use of fraudulent acts, practices and courses of business.
8. ORDERS that Respondents, together with its employees, agents, affiliates, successors, and associated entities, shall permanently CEASE AND DESIST from listing on the Pink Sheets or elsewhere information about DaLeigh stock, an acceptance or exchange of outstanding shares, a stock swap, a merger or being a successor to DaLeigh II.
9. ORDERS that Respondents, together with its employees, agents, affiliates, successors, and associated entities, shall permanently CEASE AND DESIST from any other violations of the Act.
10. ORDERS Respondents each pay a fine of \$50,000 within sixty days of the entry of this Order.

DATED this 18<sup>th</sup> day of May, 2007.

  
WAYNE KLEIN  
Director, Division of Securities



Pursuant to § 63-46b-11(3), Respondent may seek to set aside the Default Order entered in this proceeding by filing such a request with the Division consistent with the procedures outlined in the Utah Rules of Civil Procedure.


**CERTIFICATE OF MAILING**

I hereby certify that on the 21st day of May, 2007, I mailed by certified mail, a true and correct copy of the foregoing **Affidavit of Service and Non-Response and Notice of Entry of Default and Order** to:

Cyberhand Robotics, Corp.  
1108 E. South Union Avenue  
Midvale UT 84047

David Watson  
23 Alafaya Woods Blvd., Suite 140  
Oviedo FL 32765

CERTIFIED MAIL: 7005 1820 0003 7190 5826  
7005 1820 0003 7191 2862

  
Executive Secretary